

This return is to be filed by all insurance corporations within 6 months of the taxation year-end.

**Identification**

Ontario Corporations Tax Account No. (MOF)

Date of Incorporation

This CT8 Return covers the Taxation Year

Has the corporation's Canada Customs and Revenue Agency (formerly Revenue Canada)

T2 Return been filed? Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.

If applicable, enter

Ontario Retail Sales Tax Vendor Permit No. (Use Head Office no.)

If incorrect or missing, enter

Ontario Employer Health Tax Account No. (Use Head Office no.)

If applicable, enter

Jurisdiction Incorporated

If not incorporated in Ontario, indicate date business commenced in Ontario

(Not Applicable) ▶

Type of insurance (Canadian Life, Foreign, General, Canadian Fraternal, etc.)

Was the corporation inactive throughout the taxation year?

Language of Choice / Langue de préférence

English / anglais French / français

Ministry Use



SIC LOC FC Seq. No

Corporation's Legal Name (including punctuation)

Mailing Address

Has the mailing address changed since last filed CT8 return?

Registered Head Office Address

Location of Books and Records

Name of person to contact Telephone No. Fax No.

**Type of Corporation – Please check appropriate box(es):**

- 1 Canadian-controlled private all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))
2 Other Private
3 Public
5 Other (specify)

Share Capital with full voting rights owned by Canadian Residents

Are you requesting a refund due to: the Carry-back of a Loss? an Overpayment? a Specified Refundable Tax Credit?

Are you a Member of a Partnership or Joint Venture?

Are you an association registered under the Prepaid Hospital and Medical Services Act?

Are you a reciprocal or inter-insurance exchange within the meaning of the Insurance Act?

Are you an insurance broker remitting premium tax with respect to insurance contracts placed with unlicensed insurers?

**Please check appropriate box(es) if applicable:**

- First Year of Filing
Amended Return
Taxation Year-End has changed - approval required by Canada Customs and Revenue Agency (formerly Revenue Canada)
Final Taxation Year up to Dissolution (wind-up)
Final Taxation Year before Amalgamation
Floating Fiscal Year-End
Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
Acquisition of Control fed s. 249(4)
Date Control was acquired

**DOLLARS ONLY**

Net Income (loss) for Ontario purposes (includes income exempt under fed.s.149(1)(4))	- - - - -	± From	690	
Subtract: Charitable donations	- - - - -	-	1	
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule)	- - - - -	-	2	
Subtract: Taxable dividends deductible, per federal T2 SCH 3	- - - - -	-	3	
Subtract: Ontario political contributions (Attach schedule)	- - - - -	-	4	
Subtract: Federal Part VI.1 tax	• X <sup>9</sup> / <sub>3</sub>	-	5	
Subtract: Prior years' losses applied – Non-capital losses	- - - - -	- From	704	
Net capital losses	From 715 (page 11) • X inclusion rate	= -	714	
Limited partnership losses	- - - - -	- From	754	
Subtract: Exempt income relating to the insurance of farmers and fishermen in accordance with fed.s.149(1)(t) (if applicable)	- - - - -	-	7	
<b>Taxable Income (Non-capital loss)</b>	- - - - -	=	10	
Addition to taxable income for unused foreign tax deduction for federal purposes	- - - - -	+ 11		
<b>Adjusted Taxable Income</b>	10 + 11 (if 10 is negative, enter 11)	=	20	

**Number of Days in Taxation Year**

<b>Taxable Income</b>				
From 10 (or 20 if applicable)	• X 30 Ontario Allocation	% X 12.5% X	33 ÷ 73	= + 29
From 10 (or 20 if applicable)	• X 30 Ontario Allocation	% X 14.0% X	34 ÷ 73	= + 32
<b>Income Tax Payable</b> (before deduction of tax credits)	29 + 32	- - - - -		= 40

**Incentive Deduction for Small Business Corporations (IDSBC) (s.41) (If this section is not completed, the IDSBC will be denied.)**

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year?  Yes  No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))	- - - - -	50	
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+ 51		
Add: Losses of other years deducted for federal purposes (fed.s.111)	+ 52		
Subtract: Losses of other years deducted for Ontario purposes (s.34)	- 53		
	=		54
Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1)	- - - - -	55	

**Ontario Business Limit Calculation**

280,000 X	28 ÷ **365	= + 43	
320,000 X	31 ÷ **365	= + 46	
400,000 X	34 ÷ **365	= + 47	
Business Limit for Ontario purposes	43 + 46 + 47 = 44	• X 48	% = 45

\*\*\* Percentage of Federal Business limit (from T2 Sch. 23). Enter 100% if not associated.

<b>Income eligible for the IDSBC</b>	- - - - -	From 30	• X 56	= 60
		****Ontario Allocation		Least of 50, 54 or 45

\* Note: Modified by s.41(6) and (7) for corporations that are members of a partnership. (Refer to Guide.)

\*\* Note: Adjust accordingly for a floating taxation year and use 366 for a leap year.

\*\*\* Note: For a taxation year ending before Jan. 1, 2003, use your proportion of the associated group business limit.

\*\*\*\* Note: Ontario Allocation for IDSBC purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).

**continued on Page 3**

DOLLARS ONLY

Income Tax continued from Page 2

Number of Days in Taxation Year

Calculation of IDSBC Rate

Calculation of IDSBC Rate table with rows for 6.5%, 7.0%, and 8.5% rates, including boxes for days after Sept. 30, 2001 and Dec. 31, 2002/2003, and total days.

Claim From 60 X From 78 % = 70

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in 114 below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

\*\*Short Taxation Years - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it. Associated Corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

\*\* Taxable Income of the corporation table with rows for Taxable income of the corporation, Add: Exempt income, and Taxable income including exempt income.

If you are a member of an associated group ( ) 81 (Yes)

Table for associated corporations with columns: Name of associated corporation, Ontario Corporations Tax Account No. (MOF), Taxation Year End, and \*\* Taxable Income.

Number of Days in Taxation Year

Number of Days in Taxation Year calculation for 280,000, 320,000, and 400,000, including a summary row for 113 + 115 + 116 = 114.

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax table with rows for 4.333%, 4.667%, and 4.667% rates, including boxes for days after Sept. 30, 2001 and Dec. 31, 2002/2003, and total days.

From 86 X From 94 % = 87
From 87 X From 60 ÷ From 114 = 88

Surtax Lesser of 70 or 88 = 100

continued on Page 4

**Income Tax**

DOLLARS ONLY

continued from Page 3

**Credit for Foreign Taxes Paid (s.40)**

*Applies* if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001) (Attach schedule). - - - [170] \_\_\_\_\_ ●

**Credit for Investment in Small Business Development Corporations (SBDC)**

*Applies* if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit [175] \_\_\_\_\_ ● Credit Claimed [180] \_\_\_\_\_ ●

**Sub-total of Income Tax**

[40] - [70] + [100] - [170] - [180] - - - - - = [190] \_\_\_\_\_ ●

**Specified Tax Credits (Refer to Guide)**

**Ontario Innovation Tax Credit (OITC) (s.43.3)** *Applies* to Scientific Research and Experimental Development (SR & ED) in Ontario.

Eligible Credit From [5620] OITC Claim Form (attach original claim form) - - - - - + [191] \_\_\_\_\_ ●

**Co-operative Education Tax Credit (CETC) (s.43.4)** *Applies* to employment of eligible students.

Eligible Credit From [5798] Summary Schedule F - - - - - + [192] \_\_\_\_\_ ●

**Graduate Transitions Tax Credit (GTTC) (s.43.6)**

*Applies* to employment of eligible unemployed graduate students.

Eligible Credit From [6598] Summary Schedule G - - - - - + [195] \_\_\_\_\_ ●  
 No. of Graduates From [6596] [194] \_\_\_\_\_

**Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)**

*Applies* to qualifying R & D expenditures under an eligible research institute contract.

Eligible Credit From [7100] OBRITC Claim Form (attach original claim form) - - - - - + [198] \_\_\_\_\_ ●

**Total Specified Tax Credits**

[191] + [192] + [195] + [198] - - - - - = [220] \_\_\_\_\_ ●

**Specified Tax Credits Applied to reduce Income Tax (Refer to Guide)**

- - - - - = [225] \_\_\_\_\_ ●

**Income Tax**

[190] - [225] OR Enter NIL if reporting Non-Capital loss - - - - - = [230] \_\_\_\_\_ ●

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation (see **Determination of Applicability** section for the CMT on **Page 6**)

If CMT and the Special Additional Tax are not applicable, transfer amount in [230] to Income Tax in Summary section on Page 12 of CT8.

**OR**

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carry-overs that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Carry-overs** section part B, on **Page 6** of CT8.

*DOLLARS ONLY*

## Special Additional Tax (refer to s.74.1)

**Applies** to life insurance corporations for taxation years ending after April 30, 1992. Note: The Special Additional Tax is based, in part, on federal definitions.

### Resident Life Insurance Corporations

#### Capital

Capital for the taxation year for corporations s.74.1(4)	- - - - -	+ 240	_____
Capital for the taxation year for foreign insurance subsidiaries s.74.1(6)	- - - - -	+ 241	_____
<b>Total Capital</b>	- - - - -	= 250	_____

#### Reserve Liabilities

Total Reserve Liabilities as at the taxation year end for corporation	- - - - -	+ 260	_____
Total Reserve Liabilities as at the taxation year end for foreign insurance subsidiaries s.74.1(7)	- - - - -	+ 261	_____
<b>Total Consolidated Reserve Liabilities as at Year End</b>	- - - - -	= 270	_____

#### Canadian Paid-up Capital

From 250 \_\_\_\_\_ X Canadian Reserve Liabilities (fed.Reg.s.2405(3)) 280 \_\_\_\_\_ ÷ From 270 \_\_\_\_\_ = + 281 \_\_\_\_\_

The amount, if any, that is described in s.74.1(2)(b) as part of its "taxable capital employed in Canada" for the taxation year	- - - - -	+ 282	_____
<b>Canadian Paid-up Capital</b>	- - - - -	= 290	_____

#### Taxable Paid-Up Capital

Canadian Paid-up Capital	- - - - -	+ From 290	_____
Subtract: Capital Allowance s.74.1(8) (Attach the federal prescribed form, if related to another life insurance corporation that carries on business in Canada)	- - - - -	- 291	_____
<b>Taxable Paid-up Capital</b> (If negative, enter NIL)	- - - - -	= 295	_____

### Non-Residential Life Insurance Corporations

Canadian Paid-up Capital	- - - - -	+ 300	_____
Capital Allowance s.74.1(8) (if related to another life insurance corporation that carries on business in Canada)	- - - - -	- 301	_____
<b>Taxable Paid-up Capital</b> (If negative, enter NIL)	- - - - -	= 305	_____

### Calculation: Special Additional Tax

From 295 or 305 \_\_\_\_\_ X From 30 \_\_\_\_\_ \*Ontario Allocation % X 1.25% = 310 \_\_\_\_\_

From 310 \_\_\_\_\_ X  $\frac{\text{No. of Days in Taxation Year After April 30, 1992}}{365}$  311 \_\_\_\_\_ ÷ 365 = + 312 \_\_\_\_\_

Deduct: Income Tax Payable 190 (Page 4) _____ - 351 (Page 6) _____ = _____	
Corporate Minimum Tax Payable _____ + From Summary, Page 12 _____ = _____	
	- 313 _____

**Sub-Total of Special Additional Tax (if negative, enter NIL)** 312 - 313 = 314 \_\_\_\_\_

Deduct: Specified Credits Applied to reduce Special Additional Tax	- - - - -	- 315	_____
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**Special Additional Tax** 314 - 315 = 318 \_\_\_\_\_ *Transfer to Summary, Page 12*

**\*Note:** Allocation for Special Additional Tax purposes may differ from 30 if taxable income is allocated to foreign jurisdictions.

# Corporate Minimum Tax (CMT)

DOLLARS ONLY

\* Total Assets of the corporation - - - - - +     
 \* Total Revenue of the corporation - - - - - +

If you are a member of an associated group (✓)  (Yes)

Name of associated corporation (Canadian & foreign) (if insufficient space attach schedule)	Ontario Corporations Tax Account No. (if applicable)	Taxation Year End	* Total Assets	* Total Revenue
<input type="text"/>	<input type="text"/>	<input type="text"/>	+ <input type="text" value="323"/> <input type="text"/>	+ <input type="text" value="324"/> <input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	+ <input type="text" value="325"/> <input type="text"/>	+ <input type="text" value="326"/> <input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	+ <input type="text" value="327"/> <input type="text"/>	+ <input type="text" value="328"/> <input type="text"/>
Aggregate of Total Assets	<input type="text" value="320"/> + <input type="text" value="323"/> + <input type="text" value="325"/> + <input type="text" value="327"/> , etc.	- - - - -	= <input type="text" value="329"/> <input type="text"/>	<input type="text"/>
Aggregate of Total Revenue	<input type="text" value="321"/> + <input type="text" value="324"/> + <input type="text" value="326"/> + <input type="text" value="328"/> , etc.	- - - - -	- - - - -	= <input type="text" value="330"/> <input type="text"/>

## Determination of Applicability

Applies if either Total Assets  exceeds \$5,000,000 or Total Revenue  exceeds \$10,000,000.

\* These amounts include the corporation's and associated corporations' share of any partnership(s) / joint venture(s) total assets and total revenue,

**Short Taxation Years** - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s)/joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

**Associated Corporation** - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedules A through E on Pages 13, 14 and 15 of CT8.**

**Calculation: CMT** (Attach Schedule A: Calculation of CMT Base on Page 13 of CT8.)

**Gross CMT Payable** CMT base from   X From   % X 4% = +    
 If negative, enter zero Ontario Allocation  
 Subtract: Foreign Tax Credit for CMT purposes (Attach schedule) - - - - -    
 Subtract: Income Tax - - - - - From    
**Net CMT Payable** (If negative, enter Nil on Page 12 of CT8) - - - - - =

If  is less than zero and you do not have a CMT credit carryover, transfer  from **Page 4 to Income Tax Summary, Page 12** of CT8.

If  is less than zero and you have a CMT credit carryover, complete A & B below.

If  is greater than or equal to zero, transfer  to **Page 12** of CT8 and transfer  to **Page 12** of CT8, and to **Schedule D: Continuity of CMT Credit Carryovers**, on **Page 15** of CT8.

**CMT Credit Carryover available** - - - - - From

## Application of CMT Credit Carryovers

**A.** Income Tax (before deduction of specified credits) - - - - - + From    
 Gross CMT Payable - - - - - + From    
 Subtract: Foreign Tax Credit for CMT purposes - - - - - - From    
 =    
 Gross Special Additional Tax (Life insurance corporations only. Others enter NIL.) From    
 Subtract: Greater of  and  (if negative, enter NIL) - - - - -    
**Income Tax eligible for CMT Credit** (cannot be negative) - - - - - =    
  
**B.** Income Tax (after deduction of specified credits) - - - - - + From    
 Subtract: CMT credit used to reduce income taxes - - - - - -    
**Income Tax** (cannot be negative) - - - - - =

Transfer to Page 12

If **A & B** apply,  cannot exceed the lesser of  and  , and your CMT credit carryover available  .

If **only B** applies,  cannot exceed the lesser of  and your CMT credit carryover available  .

DOLLARS ONLY

# Premium Tax

If claiming an exemption from Premium Tax, indicate reason and applicable section of the Act (see Guide).

## Taxable Insurance Premiums (excluding Uninsured Benefits Arrangements)

1. Life, Accident and Sickness Premiums	Life	Accident & Sickness
<b>Add:</b> Direct written premiums in Ontario as reported in the Annual Statement filed with the federal Superintendent of Financial Institutions or the Ontario Superintendent of Insurance	360	380
<b>Other premiums not reported in the Annual Statement:</b>		
Direct Written Premiums in respect of persons resident in Ontario, paid to offices outside Canada	361	381
Staff Life, Staff Accident and Sickness on residents in Ontario	362	382
Self-administered group plan on residents in Ontario	363	383
Other direct Written Premiums in Ontario	364	384
<b>Sub-Total</b>	365	385
<b>Subtract:</b> Dividends with respect to Direct Writings in Ontario	366	386
<b>Sub-Total</b>	367	387
+ <b>or</b> - Sundry adjustments (specify) (Registered Insurance Brokers only. Refer to Guide)	368	388
+ Gross Premiums for Insurance placed with unlicensed insurers (refer to Guide)		390
<b>Total (if negative, enter NIL)</b>	370	400

= 410 **Total Taxable Premiums**  
to which 2% tax rate applies

2. Property and Other Premiums	Property	Other except premiums included in 410
<b>Add:</b> Direct written premiums in Ontario as reported in the Annual Statement filed with the federal Superintendent of Financial Institutions or the Ontario Superintendent of Insurance	430	470
<b>Other premiums not reported in the Annual Statement:</b>		
Direct Written Premiums in respect of persons resident in Ontario, paid to offices outside Canada	431	471
Other direct Written Premiums in Ontario	432	472
<b>Sub-Total</b>	433	473
<b>Subtract:</b> Dividends with respect to Direct Writings in Ontario	434	474
<b>Sub-Total</b>	435	475
+ <b>or</b> - Sundry adjustments (specify) (Registered Insurance Brokers only)	436	476
+ Gross Premiums for Insurance placed with unlicensed insurers	440	480
+ Reciprocal or Inter-Insurance Exchange only: Enter taxable net premiums in 445 and/or 485 (Refer to Guide)	445	485
<b>Total (if negative, enter NIL)</b>	450	490

= 500 **Total Taxable Premiums**  
to which 3% tax rate applies

### Calculation: Premium Tax

Life, Accident and Sickness Premiums	- - - -	From 410	• X 2%	- - - -	+ 511
Property Premiums	- - - -	From 450	• X 0.5%	- - - -	+ 512
Property and Other Premiums	- - - -	From 500	• X 3%	- - - -	+ 513
Uninsured Benefits Arrangements (refer to Guide)	-	510	• X 2%	- - - -	+ 514

<b>Sub-Total of Premium Tax</b>	511 + 512 + 513 + 514	- - - -	= 520
<b>Deduct: Specified Credits Applied to reduce Premium Tax</b>		- - - -	- 521
<b>Premium Tax</b>	520 - 521	- - - -	= 522

Transfer to Summary, Page 12

DOLLARS ONLY

Gross Revenue (Include Premium and Investment Income) - - - - - 530

## Allocation

To be completed by a corporation claiming a tax abatement in respect of the portion of its taxable income or taxable paid-up capital deemed to have been earned or used, respectively, in jurisdictions outside Ontario where it maintained permanent establishments. An Insurance corporation has a permanent establishment in a jurisdiction in which it is registered or licensed to do business. Note: All Insurance corporations are deemed to have a permanent establishment in the Yukon, Northwest Territories, and Nunavut.

### Life

Enter Net Premiums (if incorporated in Canada include marine insurance premiums) of jurisdictions within Canada only for those jurisdictions in which the corporation maintained permanent establishments, and which were included in income.

### Other than Life

Enter Net Premiums (if incorporated in Canada include marine insurance premiums) only for those jurisdictions in which the corporation maintained permanent establishments, and which were included in income.

Refer to the Regulations made under the Corporation Tax Act for details on Allocation.

### Jurisdictions outside Canada

A corporation claiming a tax abatement with respect to jurisdictions outside Canada in which the corporation maintained permanent establishments and where a portion of its taxable income or taxable paid-up capital was deemed to be earned or used, respectively, complete below.

Indicate whether a permanent establishment was maintained in the jurisdictions listed		Net Premium	%
Yes	No	A	(A ÷ C) B
		540	560
		541	561
		542	562
		543	563
		544	564
		545	565
		546	566
		547	567
		548	568
		549	569
		550	570
		551	559
		From 595	571
		552	572
		555 C	575 100%

Country where permanent establishment was maintained	Net Premium
	580
	581
	582
	583
	584
	585
	586
	587
	588
	589
	590
	591
	592
<b>Total Net Premiums</b>	<b>595</b>

To 30



DOLLARS ONLY

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 + 600

Add:

Table listing various add-back items such as Federal capital cost allowance, Federal cumulative eligible capital deduction, and Federal non allowable reserves, each with a corresponding box number (601-612).

Number of Days in Taxation Year

Calculation boxes for determining the number of days in the taxation year, including boxes for days after Sept. 30, 2001 and before Jan. 1, 2004, and days after Dec. 31, 2003.

Total add-back amount for Management fees, etc. 633 + 634 = 613

Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661 plus any negative amount in 473 from Ont. CT23 schedule 161 + 615

Any negative amount in 473 from Ont. CT23 Schedule 161 + 616

Federal allowable business investment loss + 620

Total of other items not allowed by Ontario but allowed federally (Attach schedule) + 614

Sub Total of Additions 601 to 613 + 615 + 616 + 620 + 614 = 640

Transfer to Page 10

**Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ**

DOLLARS ONLY

continued from Page 9

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 - - - - - From ± 600

Sub Total of Additions - - - - - From = 640

**Deduct:**

Ontario capital cost allowance	- - - - -	+	650	
Ontario cumulative eligible capital deduction	- - - - -	+	651	
Federal taxable capital gain	- - - - -	+	652	
Ontario non-allowable reserves. Balance beginning of year	- - - - -	+	653	
Ontario allowable reserves. Balance end of year	- - - - -	+	654	
Federal non-allowable reserves. Balance end of year	- - - - -	+	655	
Federal allowable reserves. Balance beginning of year	- - - - -	+	656	
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations. Do not submit.)	- - - - -	+	657	
Ontario depletion allowance	- - - - -	+	658	
Ontario resource allowance	- - - - -	+	659	
Ontario current cost adjustment (Attach schedule)	- - - - -	+	661	

**Ontario New Technology Tax Incentive (ONTTI) Gross-up**

Applies only to those corporations whose Ontario allocation is less than 100 % in the current taxation year.

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year - - - 662

**ONTTI Gross-up deduction calculation:**

$$\left[ \begin{array}{l} \text{From } 662 \text{ } \bullet \text{ X } \\ \text{From } 30 \end{array} \right] \times \frac{100}{\text{Ontario Allocation}} - \text{From } 662 = 663$$

**Workplace Child Care Tax Incentive:**

$$\left[ \begin{array}{l} \text{Qualifying expenditures: } 665 \text{ } \bullet \text{ X } 30\% \text{ X } \\ \text{From } 30 \end{array} \right] \times \frac{100}{\text{Ontario allocation}} = 666$$

**Workplace Accessibility Tax Incentive**

$$\left[ \begin{array}{l} \text{Qualifying expenditures: } 667 \text{ } \bullet \text{ X } 100\% \text{ X } \\ \text{From } 30 \end{array} \right] \times \frac{100}{\text{Ontario allocation}} = 668$$

Number of Employees accommodated 669

**Educational Technology Tax Incentive: (Applies to qualifying amounts incurred after May 2, 2000.)**

$$\left[ \begin{array}{l} \text{Qualifying expenditures: } 672 \text{ } \bullet \text{ X } 15\% \text{ X } \\ \text{From } 30 \end{array} \right] \times \frac{100}{\text{Ontario allocation}} = 673$$

CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources - - - + 675

Ontario allowable business investment loss - - - - - + 678

Ontario Scientific Research Expenses claimed in year in 477 from Ont. CT23 Schedule 161 + 679

Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003) - - - - - + 677

Total of other deductions allowed by Ontario (Attach schedule) - - - - - + 664

**Sub Total of Deductions** 650 to 659 + 661 + 663 + 666 + 668 + 673 + 675 + 678 + 679 + 677 + 664 = 680

**Net income (loss) for Ontario Purposes** 600 + 640 - 680 = 690

Transfer to Page 2

**Continuity of Losses Carried Forward**

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Listed Personal Property Losses	Limited Partnership Losses (6)
<b>Balance at Beginning of Year</b>	700 (2)	710 (2)	740	750
<b>Add:</b>				
Current year's losses (7)	701	711	741	751
Losses from predecessor corporations (3)	702	712		752
<b>Sub-Total</b>	703	713	743	753
<b>Subtract:</b>				
Utilized during the year to reduce taxable income	704	715 (4)	744 (4)	754 (4)
Expired during the year	705		745	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 12	716 (2) to Page 12	746	
<b>Sub-Total</b>	707	717	747	757
<b>Balance at End of Year</b>	709	719	749	759

**Notes:**

- (1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.
- (2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.
- (3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.
- (4) To the extent of applicable gains/income/at-risk amount only.
- (5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.
- (6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.
- (7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.
- (8) Amount in 709 must equal total of 829 + 839.
- (9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.
- (10) This column now refers to Total Capital Losses (100% of loss), whereas prior to the 2001 CT8 the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

**Analysis of Balance by Year of Origin**

Year of Origin (oldest year first)	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)
Y Y Y Y M M D D			
803	820	830	840
804	821	831	841
805	822	832	842
806	823	833	843
807	824	834	844
808	825	835	845
809	826	836	846
<b>Total</b>	829	839	849

# Request for Loss Carry-Back (s.80(16))

DOLLARS ONLY

**Applies** to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Ministry of Finance**.

- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  - the first day of the taxation year after the loss year,
  - the day on which the corporation's return for the loss year is delivered to the Minister, or
  - the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year-end in the spaces provided under Application of Losses below.

## Application of Losses

	Non-Capital Losses	Total Capital Losses										
<b>Total amount of loss</b>	910	920										
<b>Deduct:</b> Loss to be carried back to preceding taxation years and applied to reduce taxable income												
<table border="0"> <tr> <td></td> <td>Predecessor Ontario Corporation's Tax Account No. (MOF) (if applicable)</td> <td></td> <td>Taxation Year Ending</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td>Y Y Y Y M M D D</td> <td></td> </tr> </table>		Predecessor Ontario Corporation's Tax Account No. (MOF) (if applicable)		Taxation Year Ending					Y Y Y Y M M D D			
	Predecessor Ontario Corporation's Tax Account No. (MOF) (if applicable)		Taxation Year Ending									
			Y Y Y Y M M D D									
i) 3 <sup>rd</sup> preceding	901	921										
ii) 2 <sup>nd</sup> preceding	902	922										
iii) 1 <sup>st</sup> preceding	903	923										
<b>Total loss to be carried back</b>	From 706	From 716										
<b>Balance of loss available for carry-forward</b>	919	929										

## Summary

Income tax	- - - - - +	From 230 Or 352	•
Corporate Minimum Tax	- - - - - +	From 347	•
Special Additional Tax	- - - - - +	From 318	•
Premium Tax	- - - - - +	From 522	•
<b>Total Tax Payable</b>	- - - - - =	950	•
<b>Subtract:</b> Payments	- - - - - -	960	•
Qualifying Environmental Trust Tax Credit (Refer to Guide)	-	985	•
Specified Tax Credits (Refer to Guide)	- - - - - -	955	•
<b>Balance</b>	- - - - - =	970	•
<b>If payment due</b>	- - - - - Enclosed *	990	•
<b>If overpayment: Refund (Refer to Guide)</b>	- - - - - =	975	•
<b>Apply to</b>	Y Y Y Y M M D D	980	•

(Includes credit interest)

\*Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, **payable to the Minister of Finance** and print your Corporation's Tax Account Number on the back of cheque or money order. (Refer to Guide for other payment methods.)

## Certification

I am an authorized signing officer of the corporation. I certify that this return, including all schedules and statements filed with or as part of this return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the Corporations Tax Act. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)	
Title	
Full Residence Address	
Signature	Date

# Corporate Minimum Tax

## Schedule A: Calculation of CMT Base



**Life Insurance Corporations** - Net income/loss before Special Additional Tax as determined under s.57.1(2)(c) or (d) (unconsolidation, determined in accordance with GAAP)

Net Income/Loss (unconsolidated, determined in accordance with GAAP) - - - - - ± 2100

### Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes / benefit of current income taxes - - - - - + 2101

Provision for deferred income taxes (credits) / benefit of future income taxes - - - - - + 2102

Equity income from corporations - - - - - + 2103

Share of partnership(s)/joint venture(s) income - - - - - + 2104

Dividends received/receivable deductible under fed.s.112 - - - - - + 2105

Dividends received/receivable deductible under fed.s.113 - - - - - + 2106

Dividends received/receivable deductible under fed.s.83(2) - - - - - + 2107

Dividends received/receivable deductible under fed.s.138(6) - - - - - + 2108

Federal Part VI.1 tax paid on dividends declared and paid after May 5, 1997, under fed.s.191.1(1) X 9/3 - - - - - + 2109

**Sub-Total** - - - - - = 2110

### Add (to extent reflected in net income/loss):

Provision for current taxes / cost of current income taxes - - - - - + 2111

Provision for deferred income taxes (debits) / cost of future income taxes - - - - - + 2112

Equity losses from corporations - - - - - + 2113

Share of partnership(s)/joint venture(s) losses - - - - - + 2114

Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1)) - - - - - + 2115

**Sub-Total** - - - - - = 2116

### Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

\*\* Fed.s.85 - - - - - + 2117 or - 2118

\*\* Fed.s.85.1 - - - - - + 2119 or - 2120

\*\* Fed.s.97 - - - - - + 2121 or - 2122

\*\* Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years - - - - - + 2123 or - 2124

\*\* Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years - - - - - + 2125 or - 2126

\*\* Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years + 2127 or - 2128

Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income - 2150

**Subtotal (Additions)** - - - - - = 2129

**Subtotal (Subtractions)** - - - - - = 2130

\*\* Other adjustments - - - - - ± 2131

**Subtotal** ± 2100 - 2110 + 2116 + 2129 - 2130 ± 2131 = 2132

\*\* Share of partnership(s)/joint venture(s) **adjusted** net income/loss - - - - - ± 2133

**Adjusted net income (loss)** (if loss, transfer to 2202 in *Schedule B: Continuity of CMT Losses Carried Forward, Page 20.*) - - - - - = 2134

Deduct: \* CMT losses: pre-1994 Loss - - - - - + From 2210

\* CMT losses: other eligible losses - - - - - + 2211

= 2135

\* CMT losses applied cannot exceed adjusted net income or increase a loss

\*\* Retain calculations. Do not submit with this tax return.

**CMT Base** - - - - - = 2136

Corporate Minimum Tax (CMT)

DOLLARS ONLY



Schedule B: Continuity of CMT Losses Carried Forward

**Balance at Beginning of year** (1) & (2) - - - - - + 2201 \_\_\_\_\_ .

**Add:**

Current year's losses - - - - - + 2202 \_\_\_\_\_ .

Losses from predecessor corporations on amalgamation (3) - - - - - + 2203 \_\_\_\_\_ .

Losses from predecessor corporations on wind-up (3) - - - - - + 2204 \_\_\_\_\_ .

Amalgamation (  ) 2205  Yes      Wind-up (  ) 2206  Yes

**Sub-Total** - - - - - = \_\_\_\_\_ ▶ + 2207 \_\_\_\_\_ .

Adjustments (attach schedule) - - - - - ± 2208 \_\_\_\_\_ .

**CMT losses available** 2201 + 2207 ± 2208 - - - - - = 2209 \_\_\_\_\_ .

**Subtract:**

Pre-1994 loss utilized during the year to reduce adjusted net income - - - - - + 2210 \_\_\_\_\_ .

Other eligible losses utilized during the year to reduce adjusted net income (4) - - - - - + 2211 \_\_\_\_\_ .

Losses expired during the year - - - - - + 2212 \_\_\_\_\_ .

**Sub-total** - - - - - = \_\_\_\_\_ ▶ - 2213 \_\_\_\_\_ .

**Balances at End of Year** (5) 2209 - 2213 - - - - - = 2214 \_\_\_\_\_ .

- Notes:**
- (1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.
  - (2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and a 57.5(7))
  - (3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))
  - (4) CMT losses must be used to the extent of the lesser of the adjusted net income 2134 and CMT losses available 2209.
  - (5) Amount in 2214 must equal sum of 2270 + 2290.

Schedule C: Analysis of CMT Losses Year-End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year-end before your corporation's first taxation year commencing after 1993.

	Year of Origin(see Note) (oldest year first)								CMT Losses of Corporation	CMT Losses of Predecessor Corporations
	Y	Y	Y	Y	M	M	D	D		
2240									2260	2280
2241									2261	2281
2242									2262	2282
2243									2263	2283
2244									2264	2284
2245									2265	2285
2246									2266	2286
2247									2267	2287
2248									2268	2288
2249									2269	2289
<b>Totals</b>									2270	2290

The sum of amounts 2270 + 2290 must equal amount in 2214.

# Corporate Minimum Tax (CMT)



## Schedule D: Continuity of CMT Credit Carryovers

**Balance at Beginning of year** Note (1) - - - - - + 2301 \_\_\_\_\_

Current year's CMT Credit from **Page 6 of CT8** (If 347 is negative, enter NIL) - - - - - + From 347 \_\_\_\_\_

Gross Special Additional Tax Note (3)  
(Life Insurance corporations only. Others enter NIL.) - - - + From 312 \_\_\_\_\_

Subtract: Income Tax - - - - - - From 190 \_\_\_\_\_

Sub-Total (if negative, enter NIL) 312 - 190 - - - = \_\_\_\_\_ 2305 \_\_\_\_\_

Current year's CMT credit (if negative, enter NIL) 347 - 2305 - - - - - = \_\_\_\_\_ 2310 \_\_\_\_\_

CMT Credit Carryovers from predecessor corporations Note (2) - - - - - + 2325 \_\_\_\_\_

Amalgamation (  2315  Yes Wind-up (  2320  Yes

**Sub-Total** 2301 + 2310 + 2325 - - - - - = 2330 \_\_\_\_\_

Adjustments (Attach schedule) - - - - - ± 2332 \_\_\_\_\_

**CMT credit carryover available** 2330 ± 2332 - - - - - = 2333 \_\_\_\_\_

*Transfer to Page 6*

**Subtract:** CMT Credit utilized during the year to reduce income tax, from **Page 6 of CT8** - + From 351 \_\_\_\_\_

CMT Credit expired during the year - - - - - + 2334 \_\_\_\_\_

**Sub-Total** 351 + 2334 - - - - - = \_\_\_\_\_ 2335 \_\_\_\_\_

**Balance at End of Year** Note (4) 2333 - 2335 - - - - - = 2336 \_\_\_\_\_

- Notes:**
- (1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))
  - (2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))
  - (3) The CMT credit of life insurance corporations can be restricted (see s.43.1(3)(b))
  - (4) Amount in 2336 must equal sum of 2370 + 2390.

## Schedule E: Analysis of CMT Credit Carryovers Year-End Balance by Year of Origin

	Year of Origin (oldest year first)								CMT Credit Carryovers of Corporations	CMT Credit Carryovers of Predecessor Corporation(s)
	Y	Y	Y	Y	M	M	D	D		
2340									2360	2380
2341									2361	2381
2342									2362	2382
2343									2363	2383
2344									2364	2384
2345									2365	2385
2346									2366	2386
2347									2367	2387
2348									2368	2388
2349									2369	2389
<b>Totals</b>									2370	2390

The sum of amounts 2370 + 2390 must equal amount in 2336.

# Schedule F: Summary of Co-operative Education Tax Credit Claimed

*DOLLARS ONLY*

Complete a separate entry for each student work placement which ended during the corporation's taxation year. The tax credit is for co-op work placements commencing after July 31, 1996 and leading-edge technology work placements commencing after December 31, 1997. A work placement is generally considered to be a full-time work assignment for up to 4 months in duration.

Example: If a corporation, with a December 31, 2001 taxation year end, hires an eligible student from September 1, 2001 until April 30, 2002, this would be

considered 2 work placements. The first work placement is September 1, 2001 to December 31, 2001 and would be claimed in the 2002 taxation year. The second placement is January 1, 2002 to April 30, 2002 and must be claimed in the 2002 taxation year.



## Qualifying Work Placements

Name of University/College and Education Program	Name of Student	Social Insurance No. of Student	Work Placement Start and End Dates			Eligible Costs of Placement (ECP)	* Credit Claimed (See notes below) (max. \$1,000 per work placement)
			year	month	day		
			From			[5750]	[5776]
			To				
			From			[5751]	[5777]
			To				
			From			[5752]	[5778]
			To				
<i>If insufficient space, attach schedule</i>						[5774]	[5798]

**Note:** Enter corporation's salaries & wages paid in the preceding taxation year **A** \$ [ ] • **Totals** [ ]

If **A** is \$600,000 or greater use 10%. If A is \$400,000 or less use 15%. *Transfer to [192] on Page 4*

If **A** is over \$400,000 but less than \$600,000 use the following formula to calculate the rate: Rate = .15 - [ .05 (From **A** [ ] • - \$400,000) ÷ \$ 200,000 ]

Indicate rate used: [ ]%. \* **Credit claimed equals ECP multiplied by rate.**

# Schedule G: Summary of Graduate Transitions Tax Credit Claimed

Complete a separate entry for each graduate, that is unrelated to the employer, that has worked full-time for a minimum of a six-month period. This credit applies to new hires commencing after May 6, 1997 for a maximum credit of \$4,000 each and may only be claimed once.

Example: A taxpayer, with a December 31, 2001 taxation year end, hires an otherwise eligible graduate on June 1, 2001 who is still employed on December 31, 2002 at a salary of \$3,500 per month. The salaries and wages in the taxpayer's

preceding taxation year was \$700,000. The taxpayer may only make one tax credit claim for each graduate employed. Although the graduate is employed for 7 months during the 2001 taxation year, the taxpayer must claim the full credit in the taxation year in which the first 12 months of employment falls or when employment is ended if less than 12 months. In this example, the credit must be claimed in the 2002 taxation year. The credit claimed is the lesser of 10% of salary for the maximum 12 months of employment (10% x \$3,500 x 12 = \$4,200) or \$4,000.

## Qualifying Employment

Name of University/College and Date Program Completed	Name of Graduate	Social Insurance No. of Graduate	Employment Period			Qualified Eligible Expenditures (QEE)	* Credit Claimed (See notes below) (max. \$4,000 per graduate)
			year	month	day		
			From			[6551]	[6576]
			To				
			From			[6552]	[6577]
			To				
			From			[6553]	[6578]
			To				
<i>If insufficient space, attach schedule</i>						[6574]	[6598]

**Note:** Enter corporation's salaries & wages paid in the preceding taxation year **A** \$ [ ] • **Totals** [ ]

If **A** is \$600,000 or greater use 10%. If A is \$400,000 or less use 15%. *Transfer to [195] on Page 4*

If **A** is over \$400,000 but less than \$600,000 use the following formula to calculate the rate: Rate = .15 - [ .05 (From **A** [ ] • - \$400,000) ÷ \$ 200,000 ]

Indicate rate used: [ ]%. \* **Credit claimed equals QEE multiplied by rate.**

**Total Number of Graduates** - - - - - = [6596] [ ]

*Transfer to [194] on Page 4*



# Guide to the 2003 CT8 Corporations Tax Return

An Information Guide including Bill 2 and other legislative amendments.

## General Information

### Filing Requirements

English 1-800-263-7965  
French 1-800-668-5821  
TTY (Deaf) 1-800-263-7776

### Address Change & Account Numbers

**Ministry of Finance**  
P.O. Box 622, 33 King Street West  
Oshawa ON L1H 8H6

### Forms & Publications

Hours of Service  
Monday to Friday  
8:15 am to 5:00 pm

## Corporations Tax Branch Enquiries

We want to provide you with the best service possible. You can help us answer your questions more quickly if you have all of your information ready. Before contacting us you should do all of the following:

- read the appropriate sections of this Guide;
- read the appropriate sections of other publications we mention in this Guide;

- prepare all the details of your situation and question;
- have on hand the working copy of your CT8, any related papers or receipts, a pencil, and some paper; and
- have the following account numbers available –
  - Ontario Corporations Tax Account No. (MOF), and
  - Canada Customs and Revenue Agency Business Number (CCRA).

### Accounts

#### Payments, interest and penalties

Toronto (416) 920-9048 ext. 3036; French ext. 6062  
Oshawa (905) 433-6708  
Toll-Free 1-800-262-0784 ext. 3036; French ext. 6062  
Fax (905) 433-5197

#### Desk Audit

##### General tax enquiries, (re)assessments, amended returns, loss carry-back requests

Toronto (416) 920-9048 ext. 6559 & 6539;  
French ext. 5639  
Oshawa (905) 433-6559 & 433-6539  
Toll-Free 1-800-262-0784 ext. 6559 & 6539;  
French ext. 5639  
Fax (905) 433-6998

#### Returns Processing Centre

##### D-FILE

Toronto (416) 920-9048 ext. 4440  
Oshawa (905) 436-4440  
Toll-Free 1-800-262-0784 ext. 4440  
Fax (905) 433-5287

##### Paper

Toronto (416) 920-9048 ext. 6700  
Oshawa (905) 433-6700  
Toll-Free 1-800-262-0784 ext. 6700  
Fax (905) 433-5287

### Specialty Assessments

#### Specified refundable tax credits

Toronto (416) 920-9048 ext. 5450; French ext. 6184  
Oshawa (905) 433-5450  
Toll-Free 1-800-262-0784 ext. 5450; French ext. 6184  
Fax (905) 433-6137

#### Quality Assurance

##### Ontario Business-Research Institute Tax Credit (OBRITC) advance rulings

Toronto (416) 920-9048 ext. 6618  
Oshawa (905) 433-6618  
Toll-Free 1-800-262-0784 ext. 6618  
Fax (905) 433-6998

### Tax Roll Services

#### Extra Provincial Corporations, consent to dissolve, continue or revive

Toronto (416) 920-9048 ext. 6666; French ext. 6263  
Oshawa (905) 433-6666  
Toll-Free 1-800-262-0784 ext. 6666; French ext. 6263  
Fax (905) 433-5418

### Hours of Service

Monday to Friday 8:30 am to 5:00 pm

Visit us at: [www.trd.fin.gov.on.ca](http://www.trd.fin.gov.on.ca)

#### Write to us at:

Ministry of Finance  
Corporations Tax Branch, Unit Name (From above)  
PO Box 622, 33 King Street West  
Oshawa ON L1H 8H6

## The Corporations Tax Act

This Guide is provided for convenience only. For legislative accuracy refer to the *Corporations Tax Act*, R.S.O. 1990, Chapter 40, as amended ("the Act"). Failure to comply with the provisions of the Act may result in loss of your Ontario Charter, dissolution and forfeiture of the corporation's property to the Crown.

References to the *Corporations Tax Act* are noted in this manner – s.5 (meaning refer to section 5).

References to the Ontario Ministry of Finance Information or Interpretation Bulletins are noted – Inf.B.4003 or Int.B.3004. Copies of these Bulletins may be obtained by calling the Ministry Information Centre at the numbers shown on page 1 or by visiting our website at: [www.trd.fin.gov.on.ca](http://www.trd.fin.gov.on.ca)

References to the federal *Income Tax Act*, Canada are noted as "fed".

## Submitting your CT8

Generally, every insurer carrying on a business in Ontario through a permanent establishment (as defined in s.4) must submit a Corporations Tax Return – CT8.

A completed CT8 and supporting documents must be submitted within 6 months after the end of your taxation year. If the CT8 Return is filed late, a penalty may be imposed. The penalty for filing incomplete or late returns that are required to be filed before December 18, 1998, is 5% of the amount of the deficiency in the tax account for the taxation year, as of the day the return was required to be filed (six months following the taxation year end), with no maximum amount.

### Rules for Calculating Penalty

The following penalties may be imposed for filing incomplete or late CT8s that are required to be filed on or after December 18, 1998. A taxpayer having 1 late filed CT8 may be subject to a penalty of 5% of the deficiency in the tax account for the taxation year, plus an additional 1% for each full month that the CT8 is late, to a maximum of 12 months. A taxpayer having 2 late filed CT8s within 4 taxation years may be subject to a penalty on the latter return of 10% plus 2% for each full month that the CT8 is late to a maximum of 20 months.

For additional details on these penalties, refer to Inf.B. 4004, Penalties and Fines.

Attach a complete copy of:

- The corporation's financial statements for the taxation year;
- Financial statements of all partnerships or joint ventures of the corporation;
- The federal Corporate Income Tax Return including all schedules and other information filed with the return; and
- Federal Part VI Tax Return.

## Tax Payments

Corporations may make tax payments using any of the following methods:

- At any financial institution in Ontario where the corporation maintains an account.
- By mail or delivery to any Ministry of Finance tax office.
- Electronically, using a financial institution's Internet Banking Service. Internet Banking, where offered, is an on-line tax payment service available 24 hours a day, seven days a week, whereby a corporation can remit tax payments through its financial institution's website.

**Send your tax payment(s), payable to the Minister of Finance, and completed CT8 to:**

**Ministry of Finance  
P.O. Box 620, 33 King Street West  
Oshawa ON L1H 8E9**

**Need help completing the form? Call the Desk Audit Section, Corporations Tax Branch, Ministry of Finance at the telephone number listed on page 1 of this guide.**

## CT8 Design

This return contains 12 pages plus 4 pages of CT8 schedules. Schedules A-E pertain to corporations subject to the Corporate Minimum Tax (CMT), Schedule F pertains to the Co-operative Education Tax Credit (CETC) and Schedule G pertains to the Graduate Transitions Tax Credit (GTTC).

## Return Highlights

### Identification (Page 1)

Complete the page accurately in order to avoid delays in processing the return and to enable proper identification of your application.

### Income Tax (Pages 2 – 4)

The 2002 Ontario Budget rescheduled the reduction to the Ontario corporate income tax rate. Effective October 1, 2001, the rate was reduced from 14% to 12.5%. Legislative changes introduced in Bill 2 have increased the rate to 14%, effective January 1, 2004. For a taxation year that straddles an effective date, the rates are prorated.

On Page 2, line  enter the amount of the corporation's Income Tax that you determine. Enter NIL if reporting a non-capital loss.

The following chart provides details of the business limit and phase-out limit changes.

Ont. Bus. Limit	IDSBC Phase-Out Range	Applicable Period
\$280,000	\$280,000 to \$700,000	October 1, 2001 to December 31, 2002
\$320,000	\$320,000 to \$800,000	2003 calendar year
\$400,000	\$400,000 to \$1,128,519	2004 calendar year and thereafter

If applicable, please complete:

- The federal business limit determined prior to the application of fed.s.125(5.1) as used in calculating the Incentive Deduction for Small Business Corporations (IDSBC) on page 2, line  ;
- If claiming an IDSBC, check the YES box and complete lines , , ,  on page 2.
- If your corporation is a member of a partnership that carries on an active business in Canada, compute your corporation's share of the specified partnership income using the Ontario business limit in accordance with subsections 41(6) and 41(7) of the Act to determine the amount to be included in line .

The Schedule below outlines the changes to the IDSBC rates, the surtax rates and the applicable periods to which the rates apply.

IDSBC Rate	Surtax Rate*	Applicable Period
6.5%	4.333%	October 1, 2001 to December 31, 2002
7.0%	4.667%	January 1, 2003 to December 31, 2003
8.5%	4.667%	January 1, 2004 and thereafter

\* applies to corporations where their taxable income and all associated corporations' taxable income exceeds the Ontario business limit.

Capital Gains – The 2000 Ontario Budget announced that Ontario would reduce the inclusion rate for capital gains from 75% to 66<sup>2</sup>/<sub>3</sub>% effective for capital gains realized after February 27, 2000. In addition as announced by the Minister of Finance in a news release, "Province Forecasts \$1.4 Billion Surplus" dated December 4, 2000, Ontario further reduced the capital gains inclusion rate from 66<sup>2</sup>/<sub>3</sub>% to 50% effective retroactively to capital gains realized after October 17, 2000. These changes and effective dates coincide with the federal treatment regarding capital gains inclusion rate reductions.

On line  on page 4, enter the amount of the corporation's Income Tax that you determine. Enter NIL if reporting a non-capital loss.

If applicable, please attach Schedule of computations on the Credit for Foreign Taxes Paid, line .

## Exemptions

Every insurer having a permanent establishment in Ontario is subject to pay income tax except for the following, which may be wholly or partially exempt:

- a. A fishing or farming property insurer that meets the conditions of fed.s.149(1)(t) as made applicable by s.57(1)(a).
- b. A benevolent or fraternal benefit society, the profits of which are not derived from carrying on a life insurance business (fed.s.149(1)(k) as made applicable by s.57(1)(a)).
- c. A mutual benefit society, employees' mutual benefit society, a non-profit medical insurance association (s.57(1)(b)).

- d. A corporation established or incorporated solely in connection with, or for the administration of, a registered pension fund or plan (fed.s.149(1)(o.1) as made applicable by s.57(1)(a)).
- e. Foreign insurance corporations, the profits of which are derived from marine insurance.
- f. The non-marine underwriter members operation on the plan known as Lloyds.

## Special Additional Tax (SAT) (Page 5)

Applies to life insurance corporations for taxation years ending after April 30, 1992. (Attach a copy of the federal Part VI Tax Return for the same taxation year).

## Qualifying Environmental Trust (QET) (Page 12)

Ontario has paralleled the federal income tax treatment regarding qualifying environmental trusts. The tax credit is treated as a deemed payment on account of taxes payable. If you are claiming QET, enter the total amount of the QET credit on line , on page 12 of the CT8.

## Specified Tax Credits (Page 4)

The following 4 tax credits are specified refundable tax credits. These credits must first be applied individually to reduce taxes payable (income, premium and SAT) and any unused portion of the tax credits will be treated as a deemed payment on account of taxes payable. For administrative ease, the sum of the 4 credits should be entered on line  on page 4 of the CT8. Enter the amount of the specified tax credit applied to reduce income tax on line  on page 4 of the CT8, to reduce SAT on line  on page 5 of the CT8 and to reduce premium tax on line  on page 7 of the CT8. Enter any unused portion of the specified tax credit to be used as a deemed payment on the summary on line  on page 12 of the CT8.

## Ontario Innovation Tax Credit (OITC) (Page 4)

If claiming the OITC, complete and attach the OITC Claim form and enter the total amount on page 4, line . Claim forms can be obtained by calling the Ministry Information Centre at the telephone numbers on page 1 of this guide or by downloading the form from our website: [www.trd.fin.gov.on.ca](http://www.trd.fin.gov.on.ca)

The OITC is a 10% refundable tax credit for qualifying public and private corporations, (prior to May 5, 1999 only qualifying Canadian-controlled private corporations were eligible) having a permanent establishment in Ontario.

The OITC is calculated on qualifying expenditures (annual maximum of \$2,000,000) made in the taxation year for Scientific Research and Experimental Development (SR&ED) carried on in Ontario that are eligible for the federal investment tax credit under fed.s.127.

Corporations are eligible to claim the full OITC where their Ontario taxable paid-up capital and federal taxable income in the preceding taxation year do not exceed \$25 million and \$200,000 respectively. The annual qualifying expenditure limit of \$2,000,000 is progressively reduced for those corporations:

- whose taxable paid-up capital or “adjusted taxable paid-up capital” in the preceding taxation year, is greater than \$25 million, but less than \$50 million, and;
- whose federal taxable income is more than \$200,000, but less than \$400,000 in the preceding taxation year.

If the corporation is part of an associated group, the Ontario taxable paid-up capital and federal taxable income of those corporations must also be included in the determination of the annual qualifying expenditure limit.

Credit unions and insurance corporations are required to use taxable paid-up capital employed in Canada as determined for the federal large corporations tax instead of “taxable paid-up capital” or “adjusted taxable paid-up capital”.

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## Co-operative Education Tax Credit (CETC) (Pages 4 & 16)

If claiming this credit complete Schedule F on page 16 and enter the total tax credit claimed on page 4, line 192 (s.43.4). Retain the letter of certification or voucher – **do not** include it with your CT8.

The CETC is a refundable tax credit available to taxpayers hiring eligible university or college students enrolled in a recognized post-secondary education program. Ontario corporations with a permanent establishment in Ontario subject to Ontario corporate income tax are eligible for the credit.

There are two types of work placements: co-operative work placements which commence after July 31, 1996 and leading edge technology (LET) work placements which commence after December 31, 1997.

A credit of 10% is available to corporations whose previous taxation year’s salaries and wages paid are equal to \$600,000 or more. An enhanced credit of 15% is available to businesses whose previous taxation year’s payroll was \$400,000 or less. The enhanced credit is phased out for payroll between \$400,000 and \$600,000. The enhanced credit applies to work placements commencing after December 31, 1997.

The maximum credit is \$1,000 for each work placement, regardless of the rate claimed in calculating the credit.

**A qualifying co-operative work placement** must be a minimum of 10 weeks while a **qualifying leading edge technology work placement** must be a minimum of 10 weeks with an average of 24 hours of employment per week. For all work placements, the maximum employment period is four months.

The **maximum** number of work placements that an employer can have for a student, with two exceptions, are 4 (i.e. 16 months). The first exception is for a qualifying co-op work placement that is not an internship, there is no limit to the number of placements. The second exception is for a qualifying apprenticeship whose employment commences after May 4, 1999, the maximum number of placements is 6 (i.e. 24 months).

Eligibility for the CETC requires:

- A letter of certification from the Ontario college, university or other post-secondary institution containing information as specified by the Minister, stating that the student is enrolled in a qualifying education program; or
- A voucher for the LET program (other than an apprenticeship), stating that the education program meets the definition of a qualifying program in leading-edge technology and that the work performed by that student during the work placement is in a related field.

For a LET work placement commencing before March 1, 1999 refer to the important notice section of the Ontario Jobs Opportunity Voucher for special instructions.

Leading-edge technology programs include such fields as computer science, telecommunications technology, sciences (microbiology), mathematics and engineering.

For additional information on the CETC refer to Tax Legislation Bulletin, Number 96-2R2, dated June 2000.

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## Graduate Transitions Tax Credit (GTTC) (Pages 4 & 16)

If claiming this credit, complete Schedule G on page 16 of the CT8 and enter the total tax credit claimed on page 4, line 195 of the CT8 and enter the total number of graduates hired on page 4, line 194 of the CT8.

The GTTC, introduced in the 1997 Ontario Budget, is a refundable tax credit that applies to qualifying expenditures incurred after May 6, 1997 in hiring unemployed post-secondary graduates for positions in Ontario.

If the qualifying employment commenced after May 6, 1997, but before January 1, 1998, the GTTC rate is 10 percent.

If the qualifying employment commenced after December 31, 1997, the following rates apply:

- For corporations whose salaries and wages in the previous taxation year were \$400,000 or less, the GTTC rate is 15%.
- The GTTC rate will be progressively reduced for corporations whose salaries and wages paid in the previous taxation year were over \$400,000, but less than \$600,000.
- For corporations whose salaries and wages in the previous taxation year were \$600,000 or greater, the GTTC rate is 10%.

**The maximum credit for each qualifying placement is \$4,000, regardless of the rate claimed in calculating the credit.**

Qualifying employment is considered to be working an average of more than 24 hours per week during the employment period.

The tax credit may only be claimed by the corporation based on qualified expenditures paid during the first twelve-month period of qualified employment. The credit must be claimed in the taxation year in which the last day of the twelve-month period of employment falls. The minimum employment period to qualify for the GTTC is six consecutive months.

Consecutive periods of employment by two or more associated corporations is considered to be one continuous period of employment.

Qualifying post-secondary graduates must have graduated from a prescribed program of study, as prescribed by the regulations, within the past three years and **cannot be related** to the qualifying employer.

Qualifying graduates must have been unemployed or have not been employed by any person for more than 15 hours per week for at least 16 of the last 32 weeks immediately preceding the first day of qualifying employment.

A person who is considered to be a full-time student by the educational institution, is deemed to be employed while enrolled in a prescribed program of study.

Qualifying expenditures are salaries and wages, including taxable benefits, paid or payable to the employee during the first twelve-month period of employment, less any related government assistance received, including assistance received by associated corporations in respect of the qualifying employment (including grants, subsidies and forgivable loans).

For additional information on the GTTC, refer to Tax Legislation Bulletin, Number 01-3, dated March 2001.

## Ontario Business-Research Institute Tax Credit (OBRITC) (Page 4)

If claiming the OBRITC, complete the schedule and enter the tax credit on page 4, line **198** of the CT8.

The OBRITC claim form can be obtained by calling the Information Centre of the Ministry of Finance at the telephone numbers on page 1 of this guide or by downloading the form from our website: [www.trd.fin.gov.on.ca](http://www.trd.fin.gov.on.ca)

The OBRITC, introduced in the 1997 Ontario Budget, is a 20% refundable tax credit on all qualified research and development expenditures incurred in respect of an eligible research contract entered into, between a corporation operating in Ontario and an eligible research institute, during the taxation year after May 6, 1997; to the extent that no tax credit was claimed for a prior taxation year on these expenditures.

**An advance ruling is required from the Minister** with respect to the contract, prior to the corporation incurring any expenditures. If the corporation incurs an expenditure under more than one contract, an advance ruling must be obtained for each of the contracts. When expenditures are incurred prior to the advance ruling being obtained, the expenditures will be considered made after the ruling, provided:

- the corporation subsequently obtains a favourable ruling;
- the ruling was applied for within 90 days of the later of, the day the contract was made and December 18, 1997; or
- the ruling was applied for within 3 years after the contract was made, if the Minister is satisfied that the corporation could not apply earlier because of factors beyond its control.

An eligible contract is:

- one entered into by a corporation or a partnership with an eligible research institute if the eligible research institute agrees to directly perform in Ontario scientific research and experimental development related to a business carried on in Canada by the corporation or partnership; and

- the contract is entered into after May 6, 1997 or, if entered into prior to May 7, 1997, the terms of the contract are such that the research institute will continue to carry out scientific research under contract until after May 6, 1999.

An eligible research institute means a provincially (Ontario) assisted post-secondary institute such as:

- A university or college of applied arts and technology in Ontario;
- An Ontario Centre of Excellence;
- A non-profit organization that is prescribed by the regulations; and
- A hospital research institute.

For additional information on the OBRITC, refer to Tax Legislation Bulletin, Number 00-2, dated January 2000.

## Corporate Minimum Tax (CMT) (Pages 6, 13, 14 & 15)

Complete if your Total Assets exceeds \$5,000,000 or Total Revenue exceeds \$10,000,000. These amounts include the aggregate of the total assets and total revenue of any associated corporation. These amounts also include the corporation's and/or any associated corporation's share of any partnership/joint venture total assets and total revenue. Your insurance corporation is exempt from CMT if it is exempt from income tax or is a non-resident corporation that is subject to income tax only because it disposed of taxable Canadian property situated in Ontario. Life Insurance Corporations that are subject to both the CMT and SAT must complete the CMT calculations prior to finalizing the SAT. Corporations that are subject to CMT should complete page 6 of the CT8 and the applicable CMT schedules on pages 13, 14 and 15. Although corporations filing CT23 tax returns on or after June 1, 1995 are either allowed to file their returns electronically or on computer disk, insurance corporations must continue to file paper CT8 tax returns. (Refer to Inf.B. 4003 dated October 2002.)

## Premium Tax (Page 7)

Every insurer is liable to the premium tax on total taxable premiums unless exempted by one of the following provisions:

### Exemptions

- a. Fraternal societies with respect to contracts entered into prior to the first day of January, 1974, (s.74(7)(d)).
- b. Mutual benefit societies, pension funds, employees' mutual benefit societies and non-profit medical insurance associations (s.74(7)(e) and (f)).

### Partial Exemptions

- c. Premium paid for annuities (s.74(1)).
- d. Marine insurance premiums (s.74(7)(a)).
- e. Premiums payable under contracts of insurance issued on the premium note plan by mutual insurance corporations insuring agricultural and other non-hazardous risks, the sole business of which is carried on in Ontario (s.74(7)(b)).

## 6

- f. Premiums payable to mutual insurance corporations insuring agricultural and other non-hazardous risks, which are parties to the agreement pursuant to s.169 of the *Insurance Act*, establishing the Fire Mutuals Guarantee Fund (s.74(7)(c)).

### Note:

1. Fraternal societies are liable to the premium tax with respect to all insurance contracts entered into on or after January 1, 1974.
2. The premium tax applies to insurers, including underwriters and syndicates of underwriters, operating on the plan known as Lloyds.
3. Segregated fund premiums (other than annuities) are subject to premium tax.
4. Associations registered under the *Prepaid Hospital and Medical Services Act* are deemed to be insurance companies for purposes of the insurance premium tax. This change is effective for premiums received under new or substantially modified contracts and for renewals of existing contracts coming into effect after May 19, 1993.

### Additional Tax of ½ of 1% on Property Premiums

Every insurance corporation writing property premiums in Ontario is liable to the additional tax of ½ of 1% on property premiums. This also applies to fraternal societies as defined in the *Insurance Act* and to underwriters and syndicates of underwriters which operate on the plan known as Lloyds. There are no exceptions.

### Premium Tax on Uninsured Benefits Arrangements (UBA) (Page 7)

Complete this section if you administer Ontario-related UBA and are liable to collect and remit premium tax related to the UBA. This provision applies to corporations and to unincorporated entities. If reporting UBA premiums, enter the amount of UBA premiums on line **510** on page 7 of the CT8 and the related amount of premium tax on line **514** on page 7 of the CT8.

If an UBA plan has more than one administrator at the same time, one administrator may file an election in a letter form to account for all tax owing for the plan. The letter must include the name of the plan, name and address of all administrators of the plan and a certification that all tax has been accounted for during the period covered by the election.

If partners of a partnership are each administrators of the same plan, the partners may wish to account for their UBA liability for the taxation year by filing a joint CT23 tax return for their UBA tax only. A letter signed by each partner must be filed with each joint return certifying that the partners' UBA liability has been reported in full for the taxation year.

### Registered Insurance Brokers

If you are a registered insurance broker who has placed insurance with an insurer not licensed in Ontario, please enter the total net premiums subject to tax on lines **390**, **440**, and **480** as applicable, and the related premium taxes on lines **511**, **512** and **513**. You should also answer "yes" to the following question on page 1 of the return, "Are you an insurance broker remitting premium tax with respect to insurance contracts

placed with unlicensed insurers?" (A registered insurance broker that is a corporation filing a CT23 return should report this tax on the CT23, not on this CT8 return).

The premiums are subject to tax under the *Corporations Tax Act* if they are received by brokers during their taxation years commencing after 1997.

### Insurance Exchanges

If you are a reciprocal or inter-insurance exchange, please enter the total net premiums subject to tax on lines **445** and **485** as applicable, and the related taxes on lines **512** and **513**.

You should also answer "yes" to the following question on page 1 of the return, "Are you a reciprocal or inter-insurance exchange within the meaning of the *Insurance Act*?"

Insurance exchanges are required to pay premium tax under the *Corporations Tax Act* for premiums collected in taxation years commencing after 1997.

### Allocation (Page 8)

If applicable, complete the schedule and enter the Ontario allocation percentage on line **572** of the CT8.

### Reconciliation of net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes (Pages 9 & 10)

Enter Net Income for federal income tax purposes on line **600** and Net Income for Ontario purposes on line **690** of the CT8, even if these amounts do not require reconciliation with each other or with Net Income per financial statements, e.g. if net income for federal income tax purposes and net income for Ontario purposes both equal \$10,000.

Transfer the net income (loss) determined on page 10, line **690** to page 2 of the CT8.

### The following changes were introduced in the 1997, 1998, 1999, 2000, 2001 and 2002 Ontario Budgets and Bill 2.

#### Royalties (Page 9)

As announced in the 1999 Ontario Budget, the following royalties will no longer be subject to the <sup>5</sup>/15.5 add-back rule:

Amounts paid or payable to a non-arm's length non-resident person or a non-arm's length non-resident owned investment corporation:

- for the use or right to use in Canada computer software; or
- for the use or right to use in Canada patents or information concerning industrial, commercial or scientific experience (know-how), including designs, models, plans, formulas and processes.

This is regardless of whether a tax treaty exempts the royalty from federal withholding taxes under the *Income Tax Act* (Canada).

This change is effective for amounts which are deducted and are payable by a corporation for a taxation year ending after May 4, 1999.

The 2001 Ontario Budget and announcement by the Premier on October 1, 2001, introduced changes to the add-back rate for management fees, rents and other payments to non-arm's length non-residents as a result of the reduction in the Ontario corporate income tax rate. The 2002 Budget and Bill 2 have rescheduled these rates. The following schedule provides details of the rescheduled rates and the effective date for each. If a taxation year straddles more than one rate period, a proration of each applicable rate will be required based on the ratio that the days in the taxation year that fall within a specific rate period are to the total days in the taxation year.

Add-Back Rate	Applicable Period
<sup>5</sup> / <sub>12.5</sub>	October 1, 2001 to December 31, 2002
<sup>5</sup> / <sub>12.5</sub>	2003 calendar year
<sup>5</sup> / <sub>14</sub>	2004 calendar year and thereafter

### Ontario New Technology Tax Incentive (ONTTI) (Pages 10, line 663 )

The ONTTI, introduced in the 1997 Ontario Budget, is a 100% capital cost allowance on the eligible capital cost of an arm's length acquisition of prescribed intellectual property such as patents, know-how, licences, etc., (excluding trade-marks and copyrights) if used to implement a process, an innovation or an invention in Ontario.

The eligible costs of qualifying intellectual properties are included in a class 12 capital cost allowance pool and allowed as a 100% deduction from income in the year of acquisition.

Multi-jurisdictional firms that use the technology in Ontario and in other parts of the country are entitled to a share of the capital cost allowance in proportion to the level of activity in Ontario. If the technology is used exclusively in Ontario, the corporation is entitled to a "gross-up" deduction under s.13.1 similar to the R&D Super Allowance. The "gross-up" deduction is entered on page 10, line 663 .

The maximum eligible expenditures allowed in a year is \$20 million for a corporation, or if associated, \$20 million for the associated group of corporations.

Both the capital cost allowance and the gross-up deductions may be subject to recapture (add back to income) when the property is disposed.

For additional information on the ONTTI refer to Tax Legislation Bulletin, 98-12, dated October 1998.

### Workplace Child Care Tax Incentive (WCCTI) (Page 10, line 666 )

The WCCTI, introduced in the 1998 Ontario Budget, is a 30% deduction of qualifying capital cost expenditures, incurred by a corporation to construct new on-site licenced child care facilities in Ontario, to renovate existing facilities in Ontario or for contributions made to an unrelated party for these types of expenditures.

The corporation must obtain from the child care operator written confirmation that the money or qualified contributions are used for the purposes of constructing or renovating a child care facility or for the acquisition of playground equipment. The child care operator must provide the corporation with its licence number under the *Day Nurseries Act*.

Corporations which allocate part of their taxable income to other jurisdictions are entitled to "gross-up" the WCCTI deduction to ensure that the full benefit of the deduction is realized.

For additional information on the WCCTI refer to Tax Legislation Bulletin, Number 99-2, dated August 1999.

### Workplace Accessibility Tax Incentive (WATI) (Page 10, line 668 )

The WATI, introduced in the 1998 Ontario Budget, provides a deduction in respect of qualifying expenditures incurred after July 1, 1998. The WATI can only be claimed once on a particular qualifying expenditure and is in addition to other deductions available for income tax purposes in respect of the qualifying expenditures.

The amount of the WATI for a corporation or partnership of which the corporation is a member during a particular taxation year is the total of:

1. The expenditures incurred to provide the support services of a sign language interpreter, an intervenor, a note-taker, a reader or an attendant, during a job interview in Ontario.
2. Qualifying expenditures up to a maximum of \$50,000 per qualifying employee, other than the qualified expenditures included in the amount determined under paragraph 1 above. The maximum of \$50,000 per qualified employee is reduced by any qualified expenditures incurred in a prior taxation year, in respect of the qualifying employee which were included in determining a WATI deduction in that prior year. Corporations with allocation to other jurisdictions are entitled to "gross-up" the WATI to ensure that the full benefit of the deduction is realized.

A corporation or partnership making a WATI deduction must keep as part of their books and records a copy of the certificate or relevant documentation on which the corporation is relying in claiming that the employee is a qualifying individual.

For additional information on the WATI refer to Tax Legislation Bulletin, Number 99-1, dated August 1999.

## Educational Technology Tax Incentive (ETTI) (Page 10, line 673 )

The Educational Technology Tax Incentive (ETTI), introduced in the 2000 Ontario Budget, is a 15% deduction calculated on the amount of a price discount given or a donation made after May 2, 2000 to an eligible Ontario community college or eligible Ontario university with respect to new eligible teaching equipment and new eligible learning technologies.

The ETTI is available to corporations and to a corporation that is a general partner in a partnership where the partnership has made the price discount or donation.

In order to claim this incentive, the corporation must obtain a certificate issued by the eligible educational institution which received the donation or price discount stating that the equipment or technology meets the conditions of eligibility for the ETTI. The certification form **must** be retained by the corporation in order to claim the incentive. The certificate should **not** be submitted with the corporation's tax return.

If claiming the ETTI, enter the total eligible amount for donations and price discounts in line 672 on page 10 of the CT8 return. The amount of ETTI claim should be entered in line 673 and will be 15% of the amount in line 672 for corporations operating only in Ontario (100% allocation to Ontario). For multi-jurisdictional corporations (less than 100% allocation to Ontario) the amount in line 672 must be grossed up by dividing it by the corporation's Ontario allocation factor. The 15% incentive is then taken on the grossed up figure and entered in line 673.

For additional information on the ETTI, refer to Tax Legislation Bulletin, Number 01-07, dated June 2001.

## Depreciable Property – Fast Write-off Incentive (Line 675 )

New investments in qualifying assets used to generate electricity from alternative or renewable sources of energy and new investments in qualifying electrical energy-efficient equipment, acquired after November 25, 2002 and before January 1, 2008, would be eligible for a 100% write-off in the year of acquisition. The Minister of Energy or his or her delegate may determine which property qualifies for the fast write-off.

## Continuity of Losses Carried Forward – Analysis of Balance by Year of Origin (Page 11)

Complete these schedules whenever losses are incurred or losses are carried forward.

**Note:** Commencing with the 2001 CT8 tax return capital losses are now shown at 100% of losses (before applying the inclusion rate).

## Request for Loss Carry-Back (Page 12)

Complete this schedule if the corporation is carrying back a non-capital or net capital loss. The onus is on the taxpayer to substantiate any loss being carried back to a prior year.

## Summary of Taxes Payable (Page 12)

In the summary section, carry forward the amounts of Income Tax, Corporate Minimum Tax, Special Additional Tax, Premium Tax and enter the total on page 12, line 950. As well, enter payments made on page 12, line 960. Corporations may enter their QET on page 12, line 985. If claiming the Specified Tax Credits, enter the unapplied amount (see Specified Tax Credits section) on page 12, line 955.

If you are requesting a refund:

- for the full overpayment, complete line 975 - any related credit interest will also be refunded.
- if you want the total overpayment, including any related credit interest, to be applied to a particular taxation year, complete the "Apply to" field, but leave line 980 blank.
- If you want to apply a specific amount to a taxation year, complete the "Apply to" field and put the amount in line 980 - any remaining balance will be refunded.

## Certification (Page 12)

Complete the "Certification" section by providing the name, address, and title of the authorized signing officer of the corporation. Be sure to sign and date the Return.

## Corporate Minimum Tax (CMT) Schedules A to E (Pages 13, 14 & 15)

Complete Schedules A to E only if the corporation is subject to the CMT and carry forward applicable totals to page 6 of the CT8.